UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

May 7, 2001

Mr. John Holt
Environmental Manager
Western Area Power Administration
Desert Southwest Region
P.O. Box 6457
Phoenix, AZ 85005-6457

Dear Mr Holt:

The Environmental Protection Agency (EPA) has reviewed the Draft Environmental Impact Statement (DEIS) for the **Sundance Energy Project, Pinal County, Arizona** (CEQ # 010090). Our review and comments are pursuant to the National Environmental Policy Act (NEPA), Council on Environmental Quality (CEQ) regulations (40 CFR Parts 1500-1508), and Section 309 of the Clean Air Act.

Sundance Energy LLC (Sundance) has applied to the Western Area Power Administration (Western) to interconnect a planned generator facility to Western's transmission system in the vicinity of Coolidge, Arizona in Pinal County, southwest of Phoenix. The proposed Federal action is acceptance of the application and an interconnection and construction agreement with Sundance. Since construction of the generator facility is a connected action (40 CFR 1508.25(a)(1)) to the decision whether to allow Sundance to interconnect to Western's transmission system, the EIS evaluates the proposed power plant project as well as the interconnection.

Sundance proposes to construct and operate the Sundance Energy Project (Project), a 600- megawatt (MW) natural gas-fired, simple-cycle power plant on private lands southwest of Coolidge. The proposed Project would consist of the natural gas-fired power plant and associated infrastructure, newly constructed and upgraded existing transmission lines, a pipeline to supply additional natural gas, a water supply well, and access roads. The Project would provide energy when it is needed during peak demand periods in the region. It would also be a "merchant plant" which means it is not owned by a public utility.

The DEIS evaluates the No Action alternative where Western would reject the Sundance application to interconnect to Western's transmission system, the proposed Project, and three different transmission line route alignments.

EPA acknowledges the need to supply additional electricity to the rapidly growing Phoenix region. We advocate an energy development approach which assures a long-term,

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sustainable balance between available energy supplies, energy demand, and protection of ecosystems and human health. EPA believes that the goals of providing additional energy supplies, aggressive energy conservation, and diversification of energy supply sources should be carefully balanced.

While we support efforts to meeting growing energy demands, we have concerns regarding the availability of process water, the storage and use of wastewater, potentially significant air quality impacts, and consultation with Indian Tribal Governments (see Detailed Comments). Because of the above concerns, we have rated the proposed project and DEIS as EC-2, Environmental Concerns - Insufficient Information (see attached "Summary of the EPA Rating System").

We appreciate the opportunity to review this DEIS. Please send two (2) copies of the final environmental impact statement to this office at the same time it is officially filed with our HQ Office of Federal Activities. If you have any questions, please call Ms. Laura Fujii, of my staff, at 415-744-1601, email: fujii.laura@epa.gov.

Sincerely,

Lisa B. Hanf, Manager
Federal Activities Office

File: sundancedeis.wpd
Main ID# 003492
Enclosure: Detailed Comments (9 pages)
Summary of the EPA Rating System
Executive Order on Consultation and Coordination with Indian Tribal Governments

cc: Carol Borgstrom, DOE
US Corps of Engineers
Donald Gabrielson, Pinal Air Quality Stationary Sources
Arizona Department of Environmental Quality
Don Spencer, Casa Grande National Monument
Donald Antone, Gila River Indian Community
Ivan Makil, Salt River Pima-Maricopa Indian Community
Edward Manuel, Tohono O'odham Nation
Raymond Stanley, San Carlos Apache Tribe

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01/17

Comment No. 01 **Issue Code: 17**

These comments are the summary of the detailed comments that follow. The responses are provided for each detailed comment. For responses to comments on availability of process water see responses to Comment Nos. 07, 08, and 09. For responses to comments on storage and use of wastewater see responses to Comment Nos. 06, 07, 10, and 12. For responses to comments on potentially significant air impacts see responses to Comment Nos. 17, 18, and 19. For responses to comments on consultation with Indian Tribal Governmental see response to Comment No. 20.

DEIS COMMENTS, WAPA, SUNDANCE ENERGY PROJECT, AZ, MAY 2001

DETAILED COMMENTS

Water Resources

1. Sundance proposes to use demineralized Central Arizona Project (CAP) water for process/makeup water and then blend the pretreatment and power plant wastewater with untreated CAP water for irrigation of nearby agricultural lands (pg. 2-10). In order to use reclaimed wastewater in this manner, Sundance must apply for an Arizona reclaimed wastewater reuse permit which would allow use of reclaimed wastewater for irrigation for 5 years. If a permanent on-site demineralizer system is used, the regeneration wastewater would also be combined with the pretreatment wastewater and untreated CAP water for use in irrigation. The Draft Environmental Impact Statement (DEIS) states that potential impacts of irrigating with reclaimed wastewater would be the same as the current impacts of irrigating with raw CAP water because the wastewater would be blended to bring the total dissolved solids down to the level found in raw CAP water. 02/07

EPA is concerned with the long-term use of the wastewater for agricultural use, given the potential for it to contain constituents such as perchlorate, arsenic, radioactives, nutrients, and mercury. For instance, recent studies have indicated that perchlorate may affect hormone production in infants. Thus, increased use of reclaimed wastewater for domestic use or irrigated agriculture (especially of food crops) should be carefully considered and evaluated. 03/07

Recommendations:
The Final Environmental Impact Statement (FEIS) should provide a more thorough evaluation and description of potential impacts of irrigating with reclaimed wastewater. For example, describe the probable concentrations of perchlorate, arsenic and other contaminants in reblended wastewater (e.g., would the concentrations really be the same as untreated raw CAP water?) and the potential human health and environmental effects. The high salinity of Colorado River water and the adverse affect on long-term soil viability is also well known. The FEIS should evaluate the ability to sustain irrigation with reclaimed wastewater, given historical problems of increasing soil salinity and water logging in the arid West. The FEIS should briefly describe the requirements to obtain the reclaimed wastewater reuse permits (pg. 4-29), such as the allowable wastewater constituent levels, what crops can be irrigated with reclaimed wastewater, and other wastewater reuse options. 03/07 (cont.) 04/07 05/07

2. The DEIS states that the water quality of the wastewater retention pond and process/makeup water storage pond is expected to be compatible with waterfowl use (pg. 2-11). Waterfowl use of these ponds, especially of the wastewater retention pond, is of concern because the wastewater and sludge would contain higher concentrations of CAP water constituents and possible contaminants from processing use (pg. 4-29). These contaminants could include perchlorate, arsenic, radioactives, nutrients, and mercury. 06/09

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Comment No. 02 **Issue Code: 07**
Correct. Sundance has applied for a Reclaimed Water Use Permit and an Aquifer Protection Individual Permit. The Reclaimed Water Use Permit requires discussion of the source of reclaimed water for direct reuse; flow rate; volumes; description of the direct reuse activity; Standard Industrial Code (SIC) classification; chemical, physical and biological characteristics; and types of crops to which reclaimed water will be applied.

The Aquifer Protection Individual Permit requires documentation of the Facility Site Plan including facility location; structures; property lines; all wells; facility design documents; proposed facility discharge point(s) of compliance (POCs); activities description of the BADCT to be employed; hydrogeologic study; and a proposal for monitoring, compliance, and closure/post-closure activities.

The Aquifer Protection Individual Permit takes into account the use of adjacent properties, and all known wells within one-half mile including water wells, injection wells, drywells, and their uses. The Permit requires development of a Contingency Plan, with contingency responses and corrective actions. A summary of the Wastewater Reuse Permit Requirements is attached at the end of the Appendix C.

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Comment No. 03 **Issue Code: 07**
A summary of the Wastewater Reuse Permit Requirements is attached at the end of Appendix C.

Comment No. 04 **Issue Code: 07**
The two groundwater wells on the proposed Property have been historically used for irrigation of crops. Typical TDS values of this groundwater source have been near 2,700 mg/L. Sundance would mostly use CAP water to operate the proposed Facility. Wastewater from the water treatment facilities on the proposed Site would be

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Recommendations:
The FEIS should fully evaluate the potential adverse impacts to waterfowl and other wildlife which may try to utilize the ponds. For instance, evaluate potential acute and chronic toxic effects and bioaccumulation of contaminants in prey species and waterfowl.

06/09 (cont.)

3. Although the DEIS describes how raw CAP water, process water, and wastewater will be used, it is not always clear how the waste streams and wastewater are generated and where they will go.

07/20

Recommendation:
The FEIS should also describe the waste streams and sources of wastewater. We recommend providing a process flowchart or diagram showing the flow of process water and wastewater from the pretreatment demineralizer, power plant, and storm drains.

4. The Project proposes to utilize CAP water for material and process water (pg. S-8). Although the projected water needs are low, EPA is concerned with the potential long-term sustainability of this water source for the Project. The CAP has the lowest priority water right for Colorado River water. Thus, it would be the first diversion to be reduced during dry and drought years. In addition, the risk of more frequent and more severe water supply shortages will increase as other actions take place, such as increasing development of the upper Colorado River Basin states, implementation of the Bureau of Reclamation's (Bureau) Interim Surplus Criteria, and settlement of Tribal water rights. Although the DEIS states that excess CAP water (CAP water that is allocated but unused) would be available over the next 20-40 years (pg. 3-18), the recent unprecedented rapid development of the West clearly demonstrates that future projections may not be a reliable indicator of future water supply.

08/07

Recommendations:
The FEIS should describe available water supply options if faced with a long-term drought or inability to use excess CAP water or groundwater. The FEIS should provide additional information supporting the assumption that excess CAP water and/or underutilized CAP allocations would be available over the next 20-40 years. Information should be provided on whether the CAP water currently being delivered to the property is the same as the proposed CAP water source.

5. The DEIS also states that groundwater would be used as a back-up water supply (pg. 2-9). The Project is located in the Pinal Groundwater Active Management Area (Pinal AMA) which, like most of south-central Arizona, is severely overdrafted. In fact, the Project site is located in the center of a large-scale land subsidence area resulting from excessive groundwater extraction. Within AMAs new water users must be supplied through renewable surface water or wastewater effluent, or from the purchase of grandfathered water rights within the AMA (pg. 3-19). Although the DEIS states that subsidence in the area as a result of the project is not anticipated, it

09/07

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Comment No. 04 (cont.) **Issue Code: 07**

blended with the CAP water before any application for irrigation purposes. Water applied for irrigation would have a resultant TDS similar to levels found in the groundwater. Amended Table 4-17 in Section 4.5 of the FEIS shows the comparison of the wastewater before and after blending and the groundwater.

Chloride levels in the blended wastewater would be approximately 300 mg/L. This level would be below the current groundwater chloride levels of approximately 735 mg/L that have been applied to crops. The blended wastewater chloride level would be slightly above the Federal Secondary Maximum Contaminant Level of 250 mg/L for drinking water (40 CFR Part 143.3).

The blended wastewater that would be applied to adjacent crops represents a fraction of the irrigation water that would be applied to the crops. Since the TDS and chloride levels would be less than the groundwater that has historically been applied to these crops, the probability of salinity buildup would decreased for these crops. According to the landowner whose crops would be irrigated by the blended wastewater, a larger portion of the water for irrigation would be supplied by CAP water. Furthermore, flood irrigation would be applied periodically to these crops to leach salts from the soils. The blending procedures and the final water quality required for irrigation purposes would by law be in compliance with the Reclaimed Wastewater Reuse Permit issued and administered by the Arizona Department of Environmental Quality in accordance with the Arizona Administrative Code R18-9-701 through 707.

The historical problems of waterlogging have reduced and even reversed in the vicinity of the proposed Project in recent years. The ADWR, in its November 30, 2000 Memorandum, notes the dramatic rise in the local water table in recent years as follows: *"Since the mid-1980s, water levels in the area around the proposed plant site have*

does not describe the groundwater permitting process or whether long-term use of groundwater is feasible. Again, the use of groundwater over an extended period of time is of concern given the already severely overdrafted aquifer and the tight regulatory control of groundwater withdrawals. 09/07 (cont.)

Recommendations:
Given the above regulatory framework for the AMA, it is not clear how feasible it is to use groundwater as a long-term backup supply. The lack of a reliable back-up water supply is a concern given the potential unreliability of a long-term CAP supply. The EIS should describe the actions being taken to obtain the permit for groundwater use and options to use if groundwater is not feasible as a backup.

6. The Project facility will store wastewater in a lined pond and untreated CAP process/makeup water in an unlined 10-acre pond. Pretreated demineralized CAP process/makeup water would be stored in a water tank. The Project area is semi-arid which could result in significant water loss due to evaporation and percolation from the unlined pond. 10/20

Recommendations:
Given the semi-arid location and high potential loss of raw makeup water from evaporation or percolation, we suggest consideration of pond lining or other storage options to help minimize loss of raw process water. Although less than 1,000 acre-feet per year (af/yr) of process water would be required (pg. 2-8), the arid conditions and scarcity of reliable water supplies should dictate efforts to conserve, minimize water loss, and maximize effective use of this scarce resource. At a minimum, the FEIS should include information on the potential amount of evaporation or percolation loss from the water storage ponds.

7. The wastewater retention pond would be designed for a 20-year period and constructed and operated in accordance with the Arizona standards for Best Available Demonstrated Control Technology (pg. 4-23). In addition, the pond would be constructed with adequate storage to contain plant wastewater during a 100-year 24-hour storm event (pg. 2-11). 11/07

Recommendations:
FEIS should provide a short description of the Best Available Demonstrated Control Technologies that would be used. For example, describe the reliability of the proposed liner and whether the proposed sizing of the pond is the industry standard for this region. The FEIS should also include a short description of emergency response plans in the event of stormwater overflow or unauthorized discharge from the wastewater retention pond. 12/07

8. Stormwater would drain by gravity to an unlined stormwater collection impoundment for retention on-site until the water either percolates into the ground or evaporates (pg. 2-11). EPA is concerned with the potential water quality of the stormwater due to the potential for collection of 13/07

Comment No. 04 (cont.) **Issue Code: 07**
risen by as much as 120 feet." Groundwater use by the proposed Project, in the worst case scenario of total groundwater use, is anticipated to only slightly decrease the rate of water table recovery.

Comment No. 05 **Issue Code: 07**
Sundance has applied for a Reclaimed Water Use Permit and an Aquifer Protection Individual Permit. The Reclaimed Water Use Permit requires discussion of the source of reclaimed water for direct reuse; flow rate; volumes; description of the direct reuse activity; Standard Industrial Code (SIC) classification; chemical, physical and biological characteristics; and types of crops to which reclaimed water will be applied.

The Aquifer Protection Individual Permit requires documentation of the Facility Site Plan including facility location; structures; property lines; all wells; facility design documents; proposed facility discharge point(s) of compliance (POCs); activities description of the BADCT to be employed; hydrogeologic study; and a proposal for monitoring, compliance, and closure/post-closure activities.

The Aquifer Protection Individual Permit takes into account the use of adjacent properties, and all known wells within one-half mile including water wells, injection wells, drywells, and their uses. The Permit requires development of a Contingency Plan, with contingency responses and corrective actions. A summary of the Wastewater Reuse Permit Requirements is attached at the end of the Appendix C.

Comment No. 06 **Issue Code: 09**
The issue was raised concerning the effect on birds and animals if they would drink the water in the wastewater pond. The water quality in the wastewater pond would have a range of constituents. Wastewater results from the purification of the CAP water by

oils and other contaminants in the Facility area. We are also concerned with the potential use of the stormwater impoundment by waterfowl and wildlife and associated wildlife impacts. 13/07 (cont.)

Recommendations:
FEIS should describe the probable water quality of stormwater, its potential impacts to wildlife or to surface waters in the event of unintentional discharges or overflows from the collection impoundment. We recommend use of oil/water separators and other technology to reduce the contaminants in stormwater prior to allowing it to percolate into the groundwater. The FEIS should describe stormwater permit requirements, if any, and include a summary of the spill prevention countermeasure and control plan. 14/07 15/07

9. The proposed pipelines will cross dry washes classified as waters of US and state waters, thus Sundance will need to consult with the US Corps of Engineers (COE) and Arizona Department of Environmental Quality (ADEQ) regarding potential impacts to these waters (pg. 3-23). 16/07

Recommendations:
The FEIS should describe the status of consultations with the COE and ADEQ and whether a wetland delineation has been conducted. The description should state whether a Clean Water Act Section 404 Permit or stream disturbance permit will be required.

Air Quality

1. The DEIS states that the Project would be a major source for nitrous oxides (NO_x) and carbon monoxide (CO) pursuant to Prevention of Significant Deterioration (PSD) air quality requirements. This is of concern given the proximity to the rapidly developing Phoenix region and its increasing air quality problems. The results of the PSD Class II increment analysis indicate that the maximum impact from all sources is predicted to increase from 5.08 ug/m^3 to 5.14 ug/m^3 for turbine configuration 1. This would represent 21% of the NO_2 PSD Class II increment of 25ug/m^3 (pg. 4-15). The maximum impact from all sources is predicted to increase from 2.83 ug/m^3 to 2.89 ug/m^3 for turbine configuration 2, a NO_2 PSD Class II increment consumption of 11.56%.

Recommendations:
The FEIS should include a description of PSD permit requirements, process, and the status of the PSD permit for the Project. EPA provides assistance and oversight of the PSD program as administered by Pinal County. Questions or requests for assistance from EPA may be directed to Ginger Vagenas, Air Permits Office, Air Division, Region 9 EPA, 415-744-1252. 17/03

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Comment No. 06 (cont.) **Issue Code: 09**

Reverse Osmosis. The purified water would be misted into the turbines to increase intake air mass. The Reverse Osmosis process would concentrate constituents already in CAP water.

The wastewater released from the Reverse Osmosis process would be highest in constituents as it enters the wastewater pond. The wastewater would then be blended with unprocessed CAP water. This blending would reduce the levels of constituents in the blended water to approximately the constituent levels of the groundwater from wells onsite. The blended water would be released for irrigation on the alfalfa and cotton crops on or near the proposed Property. Amended Table 4-17 in Section 4.5 of the FEIS shows the comparison of groundwater and wastewater before and after blending.

Of the constituents in the wastewater, chloride, iron, magnesium, manganese, sulfate, and TDS would be above the National Secondary Drinking Water regulations. Of these constituents, only iron would be above the level present in the groundwater while the manganese concentration would be the same. Iron mostly causes a color and taste problem in water. While TDS levels in the blended wastewater would be above secondary drinking standards, the levels would be below the groundwater currently being applied to adjacent crops.

Arsenic levels were expressed as a potential concern. CAP water quality data were obtained from a proprietary source in Phoenix that records daily CAP water quality before inflow to a water treatment facility. Arsenic levels are measured monthly. From 1996 through 2000, arsenic levels in CAP water were measured 82 times. The maximum arsenic concentration was 6.6 ppb and the average concentration was 3.1 ppb. The maximum arsenic levels could increase to 32.5 ppb, a value 60% of the standard established for drinking water (40 CFR Part 141.11).

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2. Table 4-19 Cumulative Impacts - Air Quality does not appear to address cumulative impacts to PSD increments, particulate matter less than 10 microns in diameter (PM_{10}) or other critical air pollutants for the region (pg 4-64). This is especially important since the site is near the Phoenix area (pg 4-64). We note that the Phoenix area is nonattainment for PM_{10}, CO, and ozone and does not have approved air quality attainment plans. 18/03

Recommendation:
The FEIS should include in Table 4-19 a description of the cumulative impacts to PSD increments, regional PM_{10}, and other critical air pollutants.

3. Visibility is predicted to decrease by 5% for one day in the Class I airshed, Superstition Wilderness, in December and March. Acid deposition impacts are predicted at two Class I airsheds, Superstition Wilderness and Saguaro West National Park (pg. S-5). 19/03

Recommendation:
The FEIS should include more information on the potential implications of reduced visibility and increased acid deposition in Class I airsheds. The evaluation should include potential direct, indirect, and cumulative impacts and potential mitigation to minimize these impacts.

Tribal Consultation

We commend Western's efforts to consult with potentially interested Tribes to ensure all their cultural resource concerns are met (pgs. 3-42, 4-47). Given the importance of the area around the Gila River and Casa Grande National Monument to the Tribes, we believe the FEIS should contain additional information on how Tribal concerns will be adequately addressed. 20/10

Recommendations:
We recommend the FEIS include a section that specifically addresses Tribal trust assets and cultural resources concerns. This Section should describe Tribal concerns (e.g., as described on page 3-42 regarding cultural resources) and options for avoidance and minimization of potential impacts to the resources of concern. 21/10

We encourage Western and Sundance to continue to seek consultation, on a government-to-government basis, with all potentially affected Indian Tribes pursuant to the Executive Order on Consultation and Coordination with Indian Tribal Governments (enclosed). For assistance you may contact Clancy Tenley, Office Manager, Region 9 EPA Indian Programs Office, 415-744-1607. 22/10

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Comment No. 06 (cont.) **Issue Code: 09**

The water quality in the wastewater pond could be compared to the Arizona Aquatic Life and Wildlife standards (AAC Title 18, Chapter 11, Article 1, Appendix A, Table 1) for effluent dependent waters, of which the water quality meets for the constituents analyzed. The constituents that would be found in the wastewater have no numeric standard under this classification and therefore, are not considered injurious to wildlife. Of the constituents for which there is a standard, it's not likely that they'll be present in the wastewater, based on knowledge of the influent water quality and the industrial process.

The blended wastewater would be used for irrigation of crops and/or pasture on the existing fields located on the proposed Property. Since Sundance would use blended wastewater for irrigation purposes, they must apply for a Reclaimed Wastewater Reuse Permit. Some examples of reclaimed wastewater reuse facilities in Arizona include farms, golf courses, and parks. These rules are officially identified as Article 7 - Regulations for the Reuse of Wastewater, and are numbered as A.A.C. R18-9-701 through 707. Reclaimed Wastewater Reuse Permits are legally binding documents that authorize a permittee to use reclaimed wastewater for irrigation for a period of five years according to rules adopted on May 24, 1985.

The Arizona Field Office of the U.S. Fish and Wildlife Service uses water quality standards for Aquatic Life and Wildlife as their guidance for the protection of waterfowl. ADEQ concurred with the analysis of wastewater impacts on waterfowl. Therefore, the estimates of the constituents in the wastewater pond would pose no threat to waterfowl or wildlife. However, Sundance would commit to monitoring waterfowl use of the wastewater pond in coordination with the Arizona Department of Fish and Game. If adverse health events are observed, Sundance would coordinate with the Arizona Department of Fish and Game to develop mitigation.

Electric and Magnetic Field Effects

The DEIS states that there is potential for induced currents in the pipelines from the high-voltage transmission lines and references Section 4.4.3.2 Electric and Magnetic Field Effects (pg. 4-25) within the discussion of transmission line effects (Section 4.4.3). However, the discussion of induced currents in Section 4.4.3.2 does not even mention pipelines or the actual risk of induced currents in these structures (pg. 4-26).

Recommendations:
The FEIS should fully describe and evaluate the potential for induced currents in the pipelines, the consequences and effects of induced currents in the pipelines, and describe mitigation proposed to minimize these effects. For instance, describe whether the pipelines would be grounded and whether grounding or exposure to transmission lines would pose a risk of explosion or other adverse effect on the natural gas pipeline. We understand that high-voltage transmission lines would be placed high above objects to reduce the potential for electric shocks (pg. 4-26). However, it is not clear whether this requirement would be sufficient to reduce problems regarding induced currents in the pipelines. 23/06

Hazardous Material Management

The DEIS indicates that there is a potential contamination hazard from the storage and use of hazardous material (S-7). These impacts would be minimized by restricting refueling activities from dry washes and by requiring immediate cleanup of spills and leaks. In addition, containment structures would be placed around the base of oil-filled equipment to contain spills at the electrical substations (pg. 2-24). It is not clear from these descriptions whether there will be containment structures around sources of potential hazardous material, if any, at the generating facility. 24/05

Recommendation:
The FEIS should describe how hazardous material will be handled and managed at the generating facility. We recommend the FEIS include a summary of the updated oil spill contingency plan and the Spill Prevention Countermeasure and Control (SPCC) plan. 25/05 26/05

Cumulative Impacts Analysis

Table 4-19 Cumulative Impacts (pg. 4-64). Although the DEIS states that the cumulative effects of other anticipated projects and activities were considered, only two energy projects, the Coolidge-Rogers Transmission Line Upgrade and the All American Pipeline project are evaluated. 27/05

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Comment No. 07 **Issue Code: 20**

Figure 2-4 on page 2-13 and Figure 2-5 on page 2-14 of the DEIS present the flow and estimated quantity of water flowing through the Facility processes. CAP water would be diverted from the Hohokam Irrigation District ditch and stored in a holding pond. The majority of the water would then be pumped through the demineralization/purification system where four-fifths would be used in the turbine misters and one-fifth would become wastewater concentrated with constituents (see response to Comment No. 06 above). The wastewater would then be pumped to the wastewater pond. The remaining CAP water from the holding tank would be pumped and blended with the wastewater in the wastewater pond. Water from the oil/water separators would also be sent to the wastewater pond.

Comment No. 08 **Issue Code: 07**

The Central Arizona Water Conservation District (CAWCD), in conjunction with the United States Bureau of Reclamation, has conducted numerous surveys and analyses of projected future availability of CAP water. The most recent analyses were presented to the Board of Directors of CAWCD on March 8, 200l. The data are extensive and may be reviewed by contacting Mr. Larry Dozier at CAP headquarters, 23636 North 7th Street, Phoenix, AZ, 85024. Summary conclusions presented to the Board of Directors reflect anticipated reliable availability of "excess" CAP water, i.e., water not delivered under long-term subcontracts and/or Indian/Federal allocations, in quantities varying from approximately one million acre feet per year in 2002, to 300,000 acre feet per year in 2030.

Additionally, Sundance is in negotiations to backup the "excess" CAP water contract currently offered by CAWCD with a firming contract from a long-term CAP water subcontractor for CAP water delivered from the "non-excess" or "long-term contract water" component of the CAP supplies. The proposed Project water requirement, in the extreme cases, would require less than

Recommendation:
The cumulative impact analysis should review and evaluate potential past, present, and reasonably foreseeable future actions which may result in potential effects similar to the proposed project. This evaluation should not be limited to only energy-related projects because other major construction projects such as housing and industrial developments, can have similar environmental impacts (e.g., air, water, and biological resource impacts.). We strongly recommend the FEIS provide a more comprehensive cumulative impact analysis which considers the full range of actions which may be occurring in the Project area.

General Comments

1. The DEIS states that alternative sites for the generation facility were not considered because of the need to site near Western's Coolidge transmission lines and the lack of other sites at an affordable price near more industrial areas versus in a rural setting (pg. 2-31). The surrounding area is zoned General Rural (pg. 3-1). The Project site was specifically rezoned to Industrial for the Sundance Energy Project. Although concerns were expressed during scoping with the presence of an industrial facility in a rural area, a discussion and evaluation of this issue has not been provided. Furthermore, the DEIS has not provided persuasive evidence that other sites in more industrial areas are not available.

Recommendation:
We recommend the FEIS include a specific section addressing local concerns regarding the placement of an industrial site within a General Rural area. This section should include a description of the Arizona Corporation Commission power plant siting process, specific siting actions regarding the Sundance project (e.g., description of other sites considered by Sundance prior to purchasing the existing site), cost comparisons between the chosen site and other locations, the rationale for purchasing the existing site, and specific issues or local objections to the current proposed site (e.g, air pollution concerns, loss of rural character). The FEIS should clearly demonstrate that the existing site is the most appropriate site based upon environmental, economic, and socioeconomic criteria.

2. The DEIS states that impacts would be significant if the proposed action would permanently change adjacent land use resources and cites as an example a change in land use designation of agricultural to industrial. Later (in fact, on the same page), the DEIS states that the proposed action would not be a major impact to land use even though the proposed project site has recently been rezoned (from agriculture) to industrial specifically for the proposed facility (pg. 4-1).

Recommendation:
The FEIS should fully evaluate the potential implications and cumulative impact of the special rezoning from agriculture (General Rural) to industrial specifically

28/24

29/01

30/01

31/01

Comment No. 08 (cont.) **Issue Code: 07**

1,000 acre feet, or less than 0.3 % of the projected excess water after 30 years. Nevertheless, even assuming no CAP water were available, the hydrologic studies conducted for the proposed Project has shown that complete reliance on groundwater for a period of 40 years, well beyond the projected proposed Project life, would have minimal impact on the very extensive local aquifer, which is experiencing dramatic recovery from historical overdrafting. AWDR has reviewed these studies and has concurred with the findings of no impact on groundwater.

While the "no groundwater" scenario is not expected to occur during the projected life of the proposed Project, the magnitude of the aquifer involved is large and the proposed Project has the economic ability to pump from depths that are not economically feasible for the agricultural irrigators, the major competing pumpers in the region. If however, "no CAP water and no groundwater" scenario were to occur, then the proposed Project plan would be to not operate unless a suitable secure source of water is available. For example, the City of Coolidge sewage treatment facility effluent discharge is located a few miles north of the proposed Facility and might be suitable. Use of such effluent is not, however, currently being considered.

The proposed Facility would be a merchant wholesale generator, not selling to end user customers. End user customers would not be relying exclusively on generation from the proposed Facility, which would be interconnected into the integrated power grid, with extensive and multiple generation sources. As a simple cycle peaking facility, the proposed Project is not anticipated to generate electricity during periods when demand is substantially reduced and/or serviceable by more cost-efficient combined cycle facilities. If the proposed Project were to lose all of its primary and backup water supply, such a complete loss of water would not likely occur instantly nor unexpectedly. If it did occur due to sustained catastrophic drought

for the project site within a predominately agricultural area. For example, evaluate the potential for further rezoning actions (does Sundance set a precedent for such actions?) and the potential impact to the surrounding agriculture land from siting of an industrial facility nearby (e.g, tax status, potential interface conflicts). 31/01 (cont.)

3. Alternatives 1, 2 and 3 are variations on the proposed route alignment for the proposed local transmission line interconnection (pg. 2-35). The only difference appears to be different routing around agricultural fields. The advantages and disadvantages between alternatives is not readily apparent.

Recommendation:
The FEIS should include a detailed comparison of the advantages and disadvantages of the three alternative transmission line alignments. For example, describe the differences in cost, avoidance of sensitive areas, reduction of impacts to agricultural land, landowner approval and access, reduction in miles of line needed, construction efficiencies (if any), and whether proposed alignments have been influenced by potential future upgrades. 32/21

4. Due to costs and the existing capacity of Western's transmission lines, the maximum number of turbines might not be installed at once (pg. 2-4). This implies there may be existing transmission capacity restrictions which could influence the viability of the project. 33/17

Recommendation:
We recommend the FEIS describe the existing capacity of Western's transmission lines and the process used to determine who and how transmission requests are approved and accommodated, given the Federal requirement to provide open access transmission. Describe whether Sundance would utilize the remaining unused transmission capacity and the number of others users. It might also be helpful to provide a short primer on how the electrical routing system works and who controls and monitors the various components. 34/17 35/17

5. The DEIS appears to be full of redundant facts, comments, and nonessential filler information (e.g., page 4-30 which repeats the same statement in three consecutive slightly reworded sentences). It is therefore difficult to extract the relevant evaluations or conclusions.

Recommendation:
We recommend redesigning the format of the document, eliminating redundant and nonessential filler information (e.g., exact county section designations for the transmission line alignment), and focusing on providing a clear, concise description of the project and its potential impacts on the environment. Consider reorganizing Chapter 4 Environmental Consequences to focus on specific resources versus the individual components of the Project. For example, instead of the current organization of: 36/25

Comment No. 08 (cont.) **Issue Code: 07**

and concomitant total dewatering of the groundwater aquifer, then the proposed Project would not generate electricity during that period. Sundance would have to absorb the economic risk of this period. The baseload power availability of the region would not be affected by ceasing operations at the proposed Project. However, such a drought would probably affect the baseload power producers as well as result in an overall power shortage in the region.

All CAP water deliveries, whether for agricultural or municipal and industrial uses, come from the same source and system, originating at the Colorado River. This water is taken from Lake Havasu, and delivered through canals, lift stations, and regulatory storage facilities (primarily Lake Pleasant) by CAWCD. Therefore, while the CAP water to be used by the proposed Project would be the same as the CAP water currently being delivered to the proposed Site, it would not displace or be a substitute or exchange for agricultural water. CAP agricultural deliveries would continue to be available to the portions of the proposed Site retained in irrigated agriculture, under entitlements of that land through the Hohokam Irrigation District. That CAP agricultural water would be blended with the proposed Project water treatment system wastewater stream and used to continue to irrigate crops or pastures on the proposed Property.

Comment No. 09 **Issue Code: 07**

The proposed Project conducted hydrologic studies for concurrence of the Arizona Department of Water Resources that complete reliance on groundwater would have minimal impact on the very extensive local aquifer. This would hold true for a period of 40 years, well beyond the projected Project life. The local aquifer is currently experiencing dramatic recovery from historical overdrafting.

The size of the aquifer involved is large and the proposed Project has the economic ability to pump from depths that are not economically feasible for agricultural irrigators, the major competing pumpers

DEIS COMMENTS, WAPA, SUNDANCE ENERGY PROJECT, AZ, MAY 2001

Water Resources Facilities Surface Water Groundwater Pipelines Surface Water Groundwater Transmission Lines Surface Water Groundwater	Reorganize the Chapter as follows: Water Resources Surface Water Facilities Pipelines Transmission Lines Groundwater Facilities Pipelines Transmission Lines

36/25 (cont.)

9

Comment No. 09 (cont.) **Issue Code: 07**

in the region. This means that the proposed Project could pump groundwater even when others in area couldn't. However, the ability to do so does not mean that the proposed Project necessarily would do so. The proposed Facility would be a merchant wholesale generator, not anticipated to generate during periods when demand is substantially reduced and/or serviceable by more cost-efficient combined cycle facilities. If a drought occurred in the region that was extensive enough to greatly affect the groundwater aquifer, the associated economic effects of the drought would likely include a reduced demand for power.

If there were no CAP water or groundwater available, the proposed Facility simply would not operate unless it could feasibly secure another supply of water. For example, the City of Coolidge sewage treatment facility effluent discharge is located a few miles north of the proposed Facility and might be suitable. Use of such effluent is not, however, currently being considered.

See responses to Comment No. 08 above, Francis Slavin Comment No. 11, and Public Hearing Comment Nos. 18 and 19.

Comment No. 10 **Issue Code: 20**

The two make-up, water storage ponds would be approximately three acres each. Historic evaporation rates in the Coolidge area are approximately 105 inches per year or 8.75 feet. Therefore, the evaporative loss for each 3-acre pond would be approximately 27 acre-ft/year. This small loss due to evaporation does not make a covered pond economically realistic for the proposed Project. Percolation losses would be minimized by constructing the pond with a clay liner. A polyethylene liner would be impractical because the ponds would have to be periodically purged of sediment which could damage the liner.

Comment No. 11 **Issue Code: 07**

A summary of the requirements for the Aquifer Protection Plan, including a description of BADCT, is provided as an attachment to this Comment Response Document.

Comment No. 12 **Issue Code: 07**

The wastewater and storage ponds would be designed with sufficient embankments to accommodate the expected maximum storage plus a 100-year precipitation event. Therefore, overflows are not expected. Additionally, the wastewater pond would be lined with at least a 60 mil polyethelene liner, thus minimizing the probability of leakage. The design of the wastewater pond would be in compliance with all the provisions of Arizona's Aquifer Protection Permit program. A Spill Prevention Control Plan (SPCC) would be developed for the proposed Project. The SPCC would include a listing of potential pollutants as well as their possible sources and rates and direction of flow. Routine inspections, record keeping, installation of emergency equipment, and training would be outlined. The SPCC would discuss the response procedures, roles of responsible personnel, provisions for coordination with local officials, and evacuation procedures. An outline of the SPCC is attached.

Comment No. 13 **Issue Code: 07**

As part of the design of the proposed Facility, drains would be installed near all of the equipment with any probability of oil or fuel leaks. All drains would flow to a water/oil separator in event of a spill. Concrete containment structures would be constructed at the perimeter of this equipment to handle any sheet flow overflows. Concrete foundations and embankments would be constructed around the ammonia and fuel tanks designed to handle any overflow of the maximum amount of ammonia or fuel stored onsite at any time.

Comment No. 14 **Issue Code: 07**

As part of the design of the proposed Facility, drains would be installed near all of the equipment with any probability of oil or fuel leaks. All drains would flow to a water/oil separator in event of a spill. Concrete containment structures would be constructed at the perimeter of this equipment to divert any sheet flow overflows. Concrete foundations and embankments would be designed and constructed around the ammonia and fuel tanks with adequate volume to handle any overflow of the maximum amount of ammonia or fuel stored on site at any time plus precipitation of from a 100-year, 24-hour rainfall event.

Comment No. 15 **Issue Code: 07**

As part of the design of the Facility, drains would be installed near all of the equipment with any probability of oil or fuel leaks. All drains would flow to a water/oil separator in event of a spill. Concrete containment structures would be constructed at the perimeter of this equipment to divert any sheet flow overflows. Concrete foundations and embankments would be designed and constructed around the ammonia and fuel tanks with adequate volume to handle any overflow of the maximum amount of ammonia or fuel stored on site at any time plus precipitation of from a 100-year, 24-hour rainfall event. A Spill Prevention Control Plan (SPCC) would be developed for the proposed Project. The SPCC would include a listing of potential pollutants as well as their possible sources and rates and direction of flow. Routine inspections, record keeping, installation of emergency equipment, and training would be outlined. The SPCC would discuss the response procedures, roles of responsible personnel, provisions for coordination with local officials, and evacuation procedures. An outline of the SPCC is attached.

Comment No. 16 **Issue Code: 07**

A wetland delineation was conducted on the northwest corner of the proposed Site on May 30, 2001. The results of the delineation were that the absence of dominant hydrophytic vegetation, hydrology indicators, and hydric soils indicators support the determination that there are no wetlands on the proposed Site. No Clean Water Act permitting requirements apply.

Comment No. 17 **Issue Code: 03**

The proposed Facility would emit more than 250 tons per year of NO_x, CO and PM_{10}. Therefore, the proposed Facility is subject to the regulatory requirements for a PSD New Source Review. The Pinal County Air Quality Control District (PCAQCD) has the PSD permitting authority in Pinal County, Arizona. A PSD review involves a Best Availalble Control Technology determination, a PSD Class II increment consumption analysis, and an air quality analysis to determine whether project emissions will cause any violation of National Ambient Air Quality Standards. A PSD permit application was submitted to the PCAQCD in October 2000. The draft air permit and the associated technical support document was issued in April 2001. A public hearing on the draft air permit is scheduled on May 29, 2001, in Coolidge, Arizona. Public comments will be addressed and the Final Air Permit will be issued subject to a 45-day EPA review process. Following EPA review and any further dispositioning of EPA comments, the final PSD Air Permit will be issued.

Comment No. 18 **Issue Code: 03**

See Section 4.2 in the DEIS, PSD Analysis, pages 4-13 to 4-15. The air quality analysis indicated that all ambient air concentrations of criteria pollutants except NO_x are predicted to be below PSD significant levels. By definition, if a source's contribution to local air quality is below significance levels, the source is not considered to have a significant impact on air quality. Therefore, only a PSD Class

Comment No. 18 (cont.) **Issue Code: 03**
II increment analysis (a cumulative analysis in NEPA terms) is required by the regulations for NO_x. The results of this cumulative analysis is described in the DEIS, pages 4-13 to 4-15. See the updated air quality sections (Section 4.2 of the FEIS) for a similar analysis based on updated Project information.

Comment No. 19 **Issue Code: 03**
See the amended air quality analysis in Section 4.2 in the FEIS. The revised Class I impact analysis, using reduced NO_x emissions as a result of SCR, indicates that the maximum visibility reduction at the Superstition Wilderness and the Saguaro West National Park are predicted to be less than 5%. Therefore, according to the procedures described in the Federal Land Managers' Air Quality Related Values Workbook (FLAG), the proposed Facility emissions would not have an adverse effect on visibility at these two Class I areas.

At the request of the National Park Service for both the Sundance Energy Project PSD/Title V permit application and the Sundance Energy Environmental Impact Statement process, an Air Quality Related Values (AQRV) analysis was performed for the Casa Grande National Monument in Coolidge, approximately four miles north of the proposed Facility. The analysis was performed using the same CALPUFF/CALMET procedures described for the mandatory PSD AQRV analysis for the Class I Superstition Wilderness and the Saguaro West National Park.

The results of the analysis, shown in Table 1, predicted maximum visibility reduction to be for the full year modeling analysis 7.7% for one 24-hour period in February. Although one 24-period in February exceeded 5%, the next highest 24-hour visibility reduction in February was 2.75%. Therefore, according to the procedures developed by the FLAG Phase I Report, December 2000, the proposed Facility would not have any adverse effect on visibility at the Casa Grande National Monument.

Comment No. 19 (cont.) **Issue Code: 03**

Table 1
Visibility Impacts at Casa Grande National Monument

Month	Maximum 24-Hour Visibility Reduction (%)
January	2.81
February	7.73 – next highest 2.75
March	3.98
April	3.88
May	4.05
June	2.43
July	1.66
August	2.02
September	3.11
October	1.73
November	2.66
December	3.69

In addition to a visibility analysis, acid deposition (wet and dry) of sulfur and nitrogen was also calculated at the Casa Grande National Monument using the procedures described in the aforementioned FLAG document. The results of the analysis are shown in Table 2.

Table 2
Deposition at Casa Grande National Monument

Month	Maximum 24-Hour Deposition (kilograms/hectare)	
	Nitrogen	Sulfur
January	0.00723	0.00059
February	0.00413	0.00040
March	0.00227	0.00029
April	0.00131	0.00025
May	0.00117	0.00014
June	0.00364	0.00024
July	0.00253	0.00028
August	0.00300	0.00041
September	0.00537	0.00042
October	0.00031	0.00005
November	0.00284	0.00022
December	0.00169	0.00013

Comment No. 20 **Issue Code: 10**
Western has been involved in ongoing consultation efforts with the Tribes in the proposed Project area. To date, this consultation has concentrated on collecting information on the potential impacts to Traditional Cultural Properties or sacred sites. Four cultural groups, represented by descendants currently living in at least nine federally-recognized tribes, are potentially affected by the proposed Project. Two of these groups (Tohono O'Odham and Hopi) consider the nearby Casa Grande Ruins National Monument to be an important Traditional Cultural Place (TCP) critical to the survival of their cultural traditions. The integrity of this TCP is not affected by the proposed Project. This information has been included in Section 4.8 in the FEIS.

Comment No. 21 **Issue Code: 10**
Western has been involved in ongoing consultation efforts with the Tribes in the proposed Project area. To date, this consultation has concentrated on collecting information on the potential impacts to Traditional Cultural Properties or sacred sites. See Response to Comment No. 20 above.

Comment No. 22 **Issue Code: 10**
Western has been involved in ongoing consultation efforts with the Tribes in the proposed Project area. To date this consultation has been concentrated on collecting information on the potential impacts to Traditional Cultural Properties or sacred sites. For the proposed Site and the proposed Facility and transmission lines, no impacts have been identified. Consultation with these Tribes on the results of the ongoing cultural survey of the pipeline would take place upon completion of the survey report.

Comment No. 23 **Issue Code: 06**
The natural gas pipelines described in the DEIS are south of all of the proposed routes for the transmission lines. No other pipelines are known to be in the proposed routes for the transmission lines.

Comment No. 23 (cont.) **Issue Code: 05**
Pipeline cathodic protection would be installed along the pipeline where soil conductivity testing indicates a potential for corrosion. In the vicinity of transmission lines, cathodic protection is required because of the induced current from the overhead transmission lines.

Generally, the increased cathodic protection is only required in areas where a pipeline parallels a transmission line. The cathodic protection consists of deep well groundbeds located on the pipeline easement. Supplemental cathodic protection consisting of remote groundbeds and/or magnesium or zinc anodes attached to the pipe would be required where the pipeline and transmission line run parallel, and the extra protection may be required where the easements intersect.

Comment No. 24 **Issue Code: 05**
As part of the design of the proposed Facility, drains would be installed near all of the equipment with any probability of oil or fuel leaks. All drains would flow to a water/oil separator in event of a spill. Concrete containment structures would be constructed at the perimeter of this equipment to handle any sheet flow overflows. Concrete foundations and embankments would be constructed around the ammonia and fuel tanks designed to handle any overflow of the maximum amount of ammonia or fuel stored onsite at any time.

Comment No. 25 **Issue Code: 05**
The proposed Facility would have the capacity to store up to 30,000 gallons of aqueous ammonia for injection into the SRC air pollution control system. The aqueous ammonia solution, less than 20% ammonia and more than 80% water, would be stored in two 15,000-gallon tanks on the proposed Site. Upon the ammonia arrival to the proposed Site, ammonia would be pumped into one of the two ammonia storage tanks (see Figure 2-1, Proposed Facility Configuration). A concrete containment area would be constructed around the tanks with sufficient volume to handle the discharge of one 15,000-gallon tank. After the ammonia hose is connected from

Comment No. 25 (cont.) **Issue Code: 05**

the truck to the tank, a second vapor recovery hose would be connected from the top of the tank back to the truck to contain any residual vapors that may be in the ammonia tank. In the unlikely event of spills during the delivery of ammonia or during operations, water hoses would be immediately available to dilute the spilled ammonia within the containment area. Operation of the SCR would not involve any high pressure release of ammonia vapor. The aqueous ammonia would be pumped from the storage tanks to the SCR reactor chamber in liquid form. The ammonia would then be heated sufficiently for vaporization, and injected into the SCR for mixture with the exhaust stream.

Comment No. 26 **Issue Code: 05**

See response to Comment No. 15. SPCC would be developed for the proposed Project. The SPCC would include a listing of potential pollutants as well as their possible sources and rates and direction of flow. Routine inspections, record keeping, installation of emergency equipment, and training would be outlined. The SPCC would discuss the response procedures, roles of responsible personnel, provisions for coordination with local officials, and evacuation procedures. An outline of the SPCC is attached.

Comment No. 27 **Issue Code: 05**

The projects and activities considered in the Cumulative Impact section, Section 4.13, Table 4-19, page 4-64 represented the only related actions that were known to be taking place in the vicinity of the proposed Project. Since the issuance of the DEIS, information has been received concerning the future development of some parcels of nearby agricultural land into residential housing subdivisions. This information is discussed in the Cumulative Impacts section, Section 4.13 of the FEIS.

Comment No. 28 **Issue Code: 24**

Information concerning other actions in the area has been included in the Cumulative Impact section. Foremost among these is the potential development of residential housing areas on several parcels of the land in the vicinity of the proposed Project. This development would change the context within which the impacts of the proposed Project would take place (e.g., noise). Increased development of the surrounding area would result in more receptors of the noise, but it would also increase the background noise level of the area resulting in a lower relative change in noise levels at startup of the turbines.

Comment No. 29 **Issue Code: 01**

The zoning of the adjacent land resources is discussed in Sections 3.1 and 4.1 of the DEIS. Since the issuance of the DEIS, information has been presented concerning the potential future rezoning of some parcels of land in the vicinity of the proposed Project. Several parcels of land are being considered for development as housing subdivisions. The foreseen impacts of these subdivisions include changes to land use and background noise. The foreseen impacts of the proposed Project to these future subdivisions include right-of-way conflicts, potential impact to housing prices, and visual impacts. These impacts are discussed in the revised Section 4.13 on cumulative impacts.

The proposed Site was rezoned from General Rural to Industrial through the Pinal County Board of Supervisors on December 21, 2000 (Case No. IUP-005-00). Under the procedures of the rezoning process, notification of the action was posted in the local newspapers and on the proposed Site, and all adjacent landowners were notified by letter. Only two landowners attended the hearings. Pinal County does not have a Land Use Master Plan, and all rezoning applications are considered on a case-by-case basis at the time of the application. Any consideration of related impacts to future zoning decisions are

Comment No. 29 (cont.) **Issue Code: 01**

included in this case-by-case decision process. As part of the Pinal County Industrial Use permit resulting from the rezoning action, the following stipulations were applied to the proposed Facility:

- The Industrial Use Permit is issued for an electrical peaking power generating facility, as shown and set forth in the application submittal documents and as may be modified at the public hearing(s)

- Sundance Energy shall adhere to all Federal, State, and County regulations and shall submit evidence that they have secured or will secure all required approvals and permits

- Sundance Energy shall provide a Traffic Impact Analysis satisfactory to the requirements of the Pinal County Public Works Department

- Sundance Energy shall grant and record a Resource Management Easement to all adjacent farm owners/operators

- Sundance Energy shall provide landscaping as required by Pinal County

- Sundance Energy shall install fire hydrants as required by the Uniform Fire Code, and shall contract for fire protection services prior to completion of the facility;

- Sundance Energy shall pave the existing right-of-way for Randolph Road to minimum County standards from the western boundary of the subject property to 11 Mile Corner Road

- Sundance Energy shall provide dust control mitigation measures satisfactory to the requirements of the Pinal County Air Quality Control District

Comment No. 29 (cont.) **Issue Code: 01**
The EIS discusses the environmental and socioeconomic impacts of the proposed Project and compares the relative impacts of the alternative routes for the transmission lines. The EIS does not discuss the economic factors beyond briefly mentioning the site selection process performed by the applicant. A comparison and contrast of economic factors or business considerations are beyond the scope of the Sundance Energy EIS and are not part of the NEPA process.

Comment No. 30 **Issue Code: 01**
The EIS discusses the environmental and socioeconomic impacts of proposed Project and compares the relative impacts of the alternative routes for the power lines. The EIS does not discuss the economic factors beyond briefly mentioning the site selection process performed by the applicant. A comparison and contrast of economic factors or business considerations are beyond the scope of the Sundance Energy EIS and are not part of the NEPA process.

Comment No. 31 **Issue Code: 01**
The zoning of the adjacent land resources is discussed in Sections 3.1 and 4.1 of the DEIS. Since the issuance of the DEIS, information has been presented concerning the potential future rezoning of some parcels of land in the vicinity of the proposed Project. Several parcels of land are being considered for development as housing subdivisions. The foreseen impacts of these subdivisions include changes to land use and background noise. The foreseen impacts of the proposed Project to these future subdivisions include right-of-way conflicts, potential impact to housing prices, and visual impacts. These impacts are discussed in the revised Section 4.13 on cumulative impacts.

Comment No. 32 **Issue Code: 21**
While cost and landowner approval are part of the overall routing process and therefore, part of the decision process, they are not part

Comment No. 32 (cont.) **Issue Code: 21**
of the assessment of environmental impacts. The costs and landowner approval information available to date has been taken into account in designing the routing alternatives and in the designation of Alternative 3 as the preferred route. The comparison of the environmental impacts of each alternative route was presented in the Summary of Impacts table.

Comment No. 33 **Issue Code: 17**
The DEIS states that Western's formal process for determining the availability of capacity for the proposed interconnection is in its preliminary stages. The evaluation of environmental impacts in this EIS is one of the preliminary steps. At this point, it is foreseen that there is enough potential capacity to continue the formal determination process. The proposed Project is a peaking power plant. Economics, construction schedules, and other factors would influence the number of turbines installed over time. However, the EIS assesses the impacts of all 12 turbines.

Comment No. 34 **Issue Code: 17**
The DEIS states that Western's formal process for determining the availability of capacity for the proposed interconnection is in its preliminary stages. The evaluation of environmental impacts in this EIS is one of the preliminary steps. At this point, it is foreseen that there is enough potential capacity to continue the formal determination process.

Comment No. 35 **Issue Code: 17**
TBA.

Comment No. 36 **Issue Code: 25**
The DEIS was organized in a manner thought to be conducive to public review of the proposed action and alternatives. A reorganization of the FEIS was considered which would reduce the

Comment No. 36 (cont.) **Issue Code: 25**

redundancy, however, the FEIS consists of a few amended sections and the CRD, so no reorganization was practical.

May 7, 2001

John Holt
Desert Southwest Regional Office
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85005-6457
FAX 602-352-2630

Re: Sundance Energy Project Transmission Line Siting
Support of "Alternative 3"

Dear Mr. Holt,

As a local property owner in Pinal County, I support "Alternative 3" as the correct alternative for placement of transmission lines to serve the Sundance Energy Project.

Sincerely,

David Wuertz

01/22

Comment No. 01 **Issue Code: 22**

The commentor's preference has been noted.